

DEPARTMENT OF WORKFORCE DEVELOPMENT

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY03 Adjusted Base	FY04 Recommended	% Change Over FY03	FY05 Recommended	% Change Over FY04
GPR	193,766,500	184,905,100	-4.6	184,905,100	0.0
PR-F	732,252,800	677,976,900	-7.4	678,018,700	0.0
PR-O	39,627,200	36,262,500	-8.5	36,058,000	-0.6
PR-S	162,713,300	159,045,400	-2.3	159,045,500	0.0
SEG-O	9,270,300	8,185,100	-11.7	8,185,100	0.0
TOTAL	1,137,630,100	1,066,375,000	-6.3	1,066,212,400	0.0

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY03 Adjusted Base	FY04 Recommended	FTE Change From FY03	FY05 Recommended	FTE Change From FY04
GPR	255.67	198.92	-56.75	198.92	0.00
PR-F	1,480.01	1,378.95	-101.06	1,362.95	-16.00
PR-O	247.06	210.23	-36.83	210.23	0.00
PR-S	390.50	377.45	-13.05	393.45	16.00
SEG-O	7.50	1.00	-6.50	1.00	0.00
TOTAL	2,380.74	2,166.55	-214.19	2,166.55	0.00

AGENCY DESCRIPTION

The department consists of six operating divisions and the Office of the Secretary. The divisions are Equal Rights, Worker's Compensation, Workforce Solutions, Unemployment Insurance, Administrative Services and Vocational Rehabilitation.

The department's functions include:

- Developing and maintaining systems for unemployment compensation, worker's compensation and other income maintenance benefit payments to help minimize the effects of decreased or irregular purchasing power of workers due to unemployment or work-related injury or illness and to promote self-sufficiency.
- Implementing and administering the Wisconsin Works (W-2) and Wisconsin Shares (child care subsidy) programs.
- Assisting employers looking for workers and people looking for jobs. Developing training opportunities to improve job skills of Wisconsin residents in order to help business and industry meet skilled work force needs. Providing leadership among the state agencies on the development of employment and training policy and planning. Coordinating local planning and effective delivery of labor exchange and employment and training program services through the state's one-stop job center system.
- Providing programs, services, assessment and training to people with disabilities to develop skills needed to obtain employment.

- Promoting compliance with laws and codes designed to protect the public from discrimination in employment, housing and public accommodations and to assure adherence to fair labor standards.
- Maintaining systems to collect and disburse child support and encourage county efforts to establish paternity and support.

The Labor and Industry Review Commission is attached to the department for administrative purposes. This three-member body decides appeals on department decisions in disputed equal rights, worker's compensation and unemployment compensation cases.

The Wisconsin Conservation Corps, along with the Wisconsin Conservation Corps Board, is attached to the department for administrative purposes. The corps provides public service employment on approved environmental or human services projects to young men and women (corps enrollees). The projects are designed to provide not only employment, but training and personal development for the enrollees.

The Governor's Work-Based Learning Board is also attached to the department for administrative purposes. The board replaced the Division of Connecting Education and Work within the department. The 17-member board administers a number of school-to-work programs.

MISSION

The mission of the department is to provide a system of employment-focused programs and services that enable individuals and employers to fully participate in Wisconsin's economy.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Workforce Development

Goal: Job applicants who use Job Centers will gain wider access to available jobs in Wisconsin.

Objective/Activity: Increase employers access to available labor pools and job seekers access to available jobs by increasing the number of job openings posted on JobNet.

Goal: Provide temporary economic assistance to Wisconsin's unemployed workers and to stabilize the Wisconsin economy by paying unemployment insurance benefits as quickly as possible.

Objective/Activity: First payment promptness for paying intrastate worker claims for unemployment insurance will exceed the federal standard established by the secretary of the U.S. Department of Labor.

Program 3: Economic Support

Goal: Promote the self-sufficiency of participants by providing services that result in increased earned income.

Objective/Activity: Increase the employment placement average hourly wage of Wisconsin Works (W-2) participants.

Goal: Promote family stability and the movement to self-sufficiency by providing child care subsidies to low-income working families at less than 200 percent of the federal poverty level.

Objective/Activity: Maintain fiscal year 2001-02 levels for child care subsidies that assist low-income families in obtaining and retaining employment. Prior to fiscal year 2001-02, the objective was to increase the number of subsidies.

Program 5: Vocational Rehabilitation Services

Goal: Obtain, maintain and improve employment for people with disabilities by working with vocational rehabilitation consumers, employers and other partners.

Objective/Activity: Provide high-quality employment preparation, assistive technology and placement services to eligible individuals not on the Order of Selection waiting list.

PERFORMANCE MEASURES

HISTORICAL DATA

Prog. No.	Performance Measure	Actual 2000
1.	Number of job openings listed on JobNet.	218,162
1.	Exceed the 87 percent U.S. Department of Labor standard for intrastate promptness of first pays by six percent or a minimum of 93 percent.	95%
3.	Maintain or increase W-2 hourly average wage at time of employment placement.	\$7.52
3.	Increase the number of families receiving child care subsidies.	17,869
5.	Number of individuals achieving an employment outcome will increase over prior year.	4,627 ¹

Note: Based on fiscal year.

¹The 2000 Actual was originally reported as 4,453 in the 2001-03 Biennial Budget; however, after submission, additional employment outcomes were confirmed and the reconciled number is now 4,627.

2001 AND 2002 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2001	Actual 2001	Goal 2002	Actual 2002
1.	Number of job openings listed on JobNet. ¹	235,615	194,480	254,464	143,157 ¹
1.	Exceed the 87 percent U.S. Department of Labor standard for intrastate promptness of first pays by six percent or a minimum of 93 percent.	93%	94%	93%	94%
3.	Maintain or increase W-2 hourly average wage at time of employment placement.	\$7.76	\$7.64	\$7.86	\$7.86
3.	Increase the number of families receiving child care subsidies.	19,656	20,771	20,639	25,769
5.	Number of individuals achieving an employment outcome will increase over prior year. ²	4,600	3,865	4,700	3,325

Note: Based on fiscal year.

¹At the end of fiscal year 2000-01, the number of job openings experienced a substantial reduction due to file actions such as clean-up (e.g., removed carry-in and duplications).

²The number of employment outcomes were depressed in fiscal year 2000-01 and fiscal year 2001-02 due to the initiation of the order of selection process. This process began in order to control the number of active cases receiving services so that the active caseload can receive full services within the parameters of the Division of Vocational Rehabilitation's staffing and budget limitations.

2003, 2004 AND 2005 GOALS

Prog. No.	Performance Measure	Goal 2003	Goal 2004	Goal 2005
1.	Number of job openings listed on JobNet.	150,000	155,000	160,000
1.	Exceed the 87 percent U.S. Department of Labor standard for intrastate promptness of first pays by six percent or a minimum of 93 percent.	93%	93%	93%
3.	Maintain or increase W-2 hourly average wage at time of employment placement.	\$7.87	\$7.90	\$7.95
3.	Maintain the number of families receiving child care subsidies. ¹	25,769	25,769	25,769
5.	Number of individuals achieving an employment outcome will increase over prior year. ²	3,410	3,580	3,759

Note: Based on fiscal year

¹The original goal was reached and the new goal for child care subsidies for the 2003-05 biennium is to maintain fiscal year 2001-02 levels.

²In January 2001, the order of selection waiting list had just over 5,000 people. Since January 2002, the waiting list has been kept to fewer than 400 people each month. With the activation of a significant number of consumers from the waiting list, the Division of Vocational Rehabilitation anticipates an increase in the number of employment outcomes each year.

DEPARTMENT OF WORKFORCE DEVELOPMENT

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Budget Efficiency Measures
2. Budget Reorganization – Apprenticeship Program
3. Budget Reorganization – Division of Equal Rights
4. Budget Reorganization – School to Work
5. Budget Reorganization – Youth Employment Programs
6. Budget Reorganization – Transfer of Injured State Worker Program to DOA
7. Attorney Consolidation Initiative
8. Worker's Compensation Safety Program
9. Rent/Lease Expenditures
10. Court Reporter Services
11. Preserving Division of Vocational Rehabilitation Program Resources
12. Technical Position Adjustment
13. Labor and Industry Review Commission Position Changes
14. Division of Unemployment Insurance Position Realignment
15. Federal Funding for Supplies and Services
16. Position Number Transfer
17. Technical Adjustment
18. TANF/CCDF Allocations
19. Fund Child Support Programs
20. Reduce Reliance on Contractors for KIDS Support
21. Division of Workforce Solutions Technical Position Adjustment
22. Division of Workforce Solutions Position Realignment
23. Division of Workforce Solutions Appropriation Restructuring
24. Uninsured Employers Fund Reestimate
25. Federal Revenue Reestimate
26. Program Revenue Reestimate
27. Standard Budget Adjustments

ITEMS NOT APPROVED

28. Maintenance Contractors
29. Southeastern Wisconsin Apprenticeship Initiative
30. Funding Match for Federal Award Increases

Table 1
Department Budget Summary by Funding Source (in thousands of dollars)

	ACTUAL FY02	ADJUSTED		GOVERNOR'S RECOMMENDATION		
		BASE FY03	AGENCY REQUEST FY04	FY05	FY04	FY05
GENERAL PURPOSE REVENUE	\$210,587.4	\$193,766.5	\$188,700.7	\$188,700.7	\$184,905.1	\$184,905.1
State Operations	33,829.0	31,539.9	30,986.7	30,986.7	27,191.1	27,191.1
Local Assistance	1,120.3	550.1	550.1	550.1	550.1	550.1
Aids to Ind. & Org.	175,638.1	161,676.5	157,163.9	157,163.9	157,163.9	157,163.9
FEDERAL REVENUE (1)	974,844.1	732,252.8	697,410.5	691,078.2	677,976.9	678,018.7
State Operations	206,901.6	259,916.5	183,736.7	185,861.1	167,962.3	170,999.9
Local Assistance	63,818.1	36,948.8	44,071.8	44,371.8	42,950.0	43,244.1
Aids to Ind. & Org.	704,124.4	435,387.5	469,602.0	460,845.3	467,064.6	463,774.7
PROGRAM REVENUE (2)	203,030.2	202,340.5	195,514.8	196,410.3	195,307.9	195,103.5
State Operations	92,996.0	152,304.0	162,182.5	163,188.0	164,143.7	164,939.3
Local Assistance	2,508.2	2,289.2	2,227.4	2,227.4	2,236.2	2,236.2
Aids to Ind. & Org.	107,526.0	47,747.3	31,104.9	30,994.9	28,928.0	27,928.0
SEGREGATED REVENUE (3)	7,906.4	9,270.3	9,605.4	9,605.4	8,185.1	8,185.1
State Operations	3,457.3	5,570.3	4,905.4	4,905.4	2,209.2	2,209.2
Aids to Ind. & Org.	4,449.1	3,700.0	4,700.0	4,700.0	5,975.9	5,975.9
TOTALS-ANNUAL	1,396,368.1	1,137,630.1	1,091,231.4	1,085,794.6	1,066,375.0	1,066,212.4
State Operations	337,183.9	449,330.7	381,811.3	384,941.2	361,506.3	365,339.5
Local Assistance	67,446.6	39,788.1	46,849.3	47,149.3	45,736.3	46,030.4
Aids to Ind. & Org.	991,737.6	648,511.3	662,570.8	653,704.1	659,132.4	654,842.5

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

Table 2
Department Position Summary by Funding Source (in FTE positions) (4)

	ADJUSTED		GOVERNOR'S RECOMMENDATION		
	BASE FY03	AGENCY REQUEST FY04	FY05	FY04	FY05
GENERAL PURPOSE REVENUE	255.67	201.40	201.40	198.92	198.92
FEDERAL REVENUE (1)	1,480.01	1,562.61	1,545.53	1,378.95	1,362.95
State Operations	1,458.16	1,166.20	1,150.12	1,033.99	1,018.99
Aids to Ind. & Org.	21.85	396.41	395.41	344.96	343.96
PROGRAM REVENUE (2)	637.56	643.79	659.62	587.68	603.68
State Operations	634.16	640.39	656.22	585.28	601.28
Local Assistance	3.40	3.40	3.40	2.40	2.40
SEGREGATED REVENUE (3)	7.50	7.50	7.50	1.00	1.00
TOTALS-ANNUAL	2,380.74	2,415.30	2,414.05	2,166.55	2,166.55
State Operations	2,355.49	2,015.49	2,015.24	1,819.19	1,820.19
Local Assistance	3.40	3.40	3.40	2.40	2.40
Aids to Ind. & Org.	21.85	396.41	395.41	344.96	343.96

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

(4) All positions are State Operations unless otherwise specified

**Table 3
Department Budget Summary by Program (in thousands of dollars)**

	ACTUAL FY02	ADJUSTED BASE FY03	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY04	FY05	FY04	FY05
1. Workforce development	\$203,260.0	\$205,738.6	\$218,229.9	\$218,824.1	\$211,204.6	\$211,836.0
2. Review commission	2,096.3	2,885.2	2,766.6	2,767.8	2,762.5	2,763.6
3. Economic support	1,117,412.4	848,618.2	796,465.5	789,512.7	782,437.9	780,973.7
5. Vocational rehabilitation services	60,253.0	70,638.1	70,493.8	71,468.8	69,970.0	70,639.1
6. Wisconsin conservation corps	4,051.3	3,265.0	3,296.8	3,296.8		
7. Governor's work-based learning board	9,295.1	6,485.0	-21.2	-75.6		
TOTALS	1,396,368.1	1,137,630.1	1,091,231.4	1,085,794.6	1,066,375.0	1,066,212.4

**Table 4
Department Position Summary by Program (in FTE positions) (4)**

	ADJUSTED BASE FY03	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY04	FY05	FY04	FY05
1. Workforce development	1,715.96	1,771.73	1,772.73	1,595.91	1,596.91
2. Review commission	29.93	25.93	25.93	25.93	25.93
3. Economic support	219.85	221.14	219.64	190.59	189.59
5. Vocational rehabilitation services	389.75	388.25	388.25	354.12	354.12
6. Wisconsin conservation corps	8.50	8.50	8.50		
7. Governor's work-based learning board	16.75	-0.25	-1.00		
TOTALS	2,380.74	2,415.30	2,414.05	2,166.55	2,166.55

(4) All positions are State Operations unless otherwise specified

1. Budget Efficiency Measures

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-4,000,000	-2.48	-4,000,000	-2.48
PR-F	0	0.00	0	0.00	-1,827,400	-184.58	-2,243,200	-184.58
PR-O	0	0.00	0	0.00	0	-0.34	0	-0.34
PR-S	0	0.00	0	0.00	-5,306,800	-29.60	-5,516,800	-29.60
SEG-O	0	0.00	0	0.00	-167,400	-2.00	-167,400	-2.00
TOTAL	0	0.00	0	0.00	-11,301,600	-219.00	-11,927,400	-219.00

The Governor recommends reducing expenditure and position authority in the department's state operations appropriations in the amounts shown to create additional operational efficiencies and balance the budget by: (a) replacing private contractors with state employees for maintenance of the Kids Information Data System (KIDS); and (b) eliminating position vacancies across funding sources. For more detail on the KIDS related changes, see Item #20.

2. Budget Reorganization – Apprenticeship Program

The Governor recommends transferring the funding source for positions associated with the apprenticeship program from general program revenue to federal revenue. Savings associated with this transfer are reflected in Item #1.

3. Budget Reorganization – Division of Equal Rights

The Governor recommends the following changes to the department's Division of Equal Rights: (a) transfer the investigative responsibilities of the Personnel Commission to the division; (b) authorize individuals to opt out of the administrative resolution process and allow them to sue immediately for damages; and (c) institute a paper review of investigations that resulted in a finding of no probable cause.

4. Budget Reorganization – School to Work

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	0	0.00	0	0.00	-50,700	0.25	3,700	1.00
TOTAL	0	0.00	0	0.00	-50,700	0.25	3,700	1.00

The Governor recommends transferring funding and staff that are currently associated with the Governor's Work-Based Learning Board to the department's Division of Workforce Solutions. The transfer of the board into the department will allow for greater budget efficiencies, reflected in Item #1. In addition, the board will be changed to the Governor's Work-Based Learning Council to reflect its new role.

5. Budget Reorganization – Youth Employment Programs

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	0	0.00	0	0.00	0	1.00	0	1.00
PR-S	0	0.00	0	0.00	-491,400	0.00	-491,400	0.00
SEG-O	0	0.00	0	0.00	-1,252,900	-4.50	-1,252,900	-4.50
TOTAL	0	0.00	0	0.00	-1,744,300	-3.50	-1,744,300	-3.50

The Governor recommends transferring Operation Fresh Start, which is currently administered by the Department of Administration, and the Wisconsin Conservation Corps to the department's Division of Workforce Solutions. The transfer will: (a) provide \$1,385,100 SEG and 1.0 FTE SEG in each year from the conservation fund; (b) reduce position authority and funding to reflect program changes; (c) eliminate the Wisconsin Conservation Corps board; and (d) introduce programmatic changes to encourage greater community involvement. The department will award grants to community-based organizations designed to promote youth employment, conservation, personal development of the participants and human services.

6. Budget Reorganization – Transfer of Injured State Worker Program to DOA

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	-50,300	-1.00	-50,300	-1.00	-50,300	-1.00	-50,300	-1.00
TOTAL	-50,300	-1.00	-50,300	-1.00	-50,300	-1.00	-50,300	-1.00

The Governor recommends reducing expenditure and position authority in the department to reflect the transfer of the Injured State Worker Program to the Department of Administration.

7. Attorney Consolidation Initiative

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	0	0.00	0	0.00	0	-1.00	0	-1.00
TOTAL	0	0.00	0	0.00	0	-1.00	0	-1.00

The Governor recommends improving the provision of state legal services by consolidating attorneys under the secretary of the Department of Administration. The Department of Administration secretary will determine the assignment of attorneys to individual agencies. The initiative results in the reduction of expenditure and position authority within the department and the transfer of 1.0 FTE position to the Department of Administration. Funding related to the transferred position will remain in the department's budget to purchase legal services from the Department of Administration. See Department of Administration, Item #10.

8. Worker's Compensation Safety Program

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	216,900	0.00	216,900	0.00	216,900	0.00	216,900	0.00
TOTAL	216,900	0.00	216,900	0.00	216,900	0.00	216,900	0.00

The Governor recommends increasing expenditure authority to fund a workplace safety program and the department's accident investigation agreement with the Department of Commerce. The increased funding will be used to provide increased workplace safety support to Wisconsin employers and maintain on-line information to help employers develop workplace safety programs.

9. Rent/Lease Expenditures

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	127,600	0.00	125,600	0.00	127,600	0.00	125,600	0.00
TOTAL	127,600	0.00	125,600	0.00	127,600	0.00	125,600	0.00

The Governor recommends increasing expenditure authority to fund increased rent expenditures for the department's Division of Worker's Compensation.

10. Court Reporter Services

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	77,900	0.00	82,900	0.00	77,900	0.00	82,900	0.00
TOTAL	77,900	0.00	82,900	0.00	77,900	0.00	82,900	0.00

The Governor recommends increasing expenditure authority to fund contracts with court reporters for worker's compensation hearings to ensure that rulings in worker's compensation cases are issued in a timely manner.

11. Preserving Division of Vocational Rehabilitation Program Resources

The Governor recommends consolidating the department's numeric appropriations for vocational rehabilitation state operations and vocational rehabilitation case aids under a single alpha appropriation. By placing these appropriations under a single alpha, the department will be able to maximize the amount of general program revenue used to provide direct services to clients.

12. Technical Position Adjustment

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	-20,700	-0.50	-20,700	-0.50	-20,700	-0.50	-20,700	-0.50
TOTAL	-20,700	-0.50	-20,700	-0.50	-20,700	-0.50	-20,700	-0.50

The Governor recommends decreasing expenditure and position authority to reflect the elimination of an unfunded support position for the former Human Resources Investment Council.

13. Labor and Industry Review Commission Position Changes

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	-127,600	-3.00	-127,600	-3.00	-127,600	-3.00	-127,600	-3.00
TOTAL	-127,600	-3.00	-127,600	-3.00	-127,600	-3.00	-127,600	-3.00

The Governor recommends deleting 3.0 FTE positions and reallocating 1.0 FTE position that are currently vacant from the Labor and Industry Review Commission. The reallocated position will be transferred to the Division of Unemployment Insurance.

14. Division of Unemployment Insurance Position Realignment

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	98,300	0.75	98,300	0.75	98,300	0.75	98,300	0.75
PR-S	-98,300	-0.75	-98,300	-0.75	-98,300	-0.75	-98,300	-0.75
TOTAL	0	0.00	0	0.00	0	0.00	0	0.00

The Governor recommends increasing FED expenditure authority and decreasing PR-S expenditure authority to reflect that an administrative law judge position will be budgeted directly in the department's unemployment insurance division, rather than paid for under contract with the Department of Commerce.

15. Federal Funding for Supplies and Services

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	6,400	0.00	7,600	0.00	6,400	0.00	7,600	0.00
TOTAL	6,400	0.00	7,600	0.00	6,400	0.00	7,600	0.00

The Governor recommends increasing expenditure authority to fund federally approved supplies and services expenditures by the Labor and Industry Review Council.

16. Position Number Transfer

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	0	-1.00	0	-1.00	0	-1.00	0	-1.00
PR-S	0	1.00	0	1.00	0	1.00	0	1.00
TOTAL	0	0.00	0	0.00	0	0.00	0	0.00

The Governor recommends deleting 1.0 FTE PR-F and creating 1.0 FTE PR-S to reflect a transfer of a position from the department's Unemployment Insurance Division to its Administrative Services Division to more accurately reflect the responsibilities of the position.

17. Technical Adjustment

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	0	-1.00	0	-1.00	0	-1.00	0	-1.00
TOTAL	0	-1.00	0	-1.00	0	-1.00	0	-1.00

The Governor recommends eliminating 1.0 FTE position in each year to reflect a technical error in 2001 Wisconsin Act 16.

18. TANF/CCDF Allocations

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	-4,512,600	0.00	-4,512,600	0.00	-4,550,200	0.00	-4,550,200	0.00
PR-F	-39,045,800	0.00	-47,599,100	0.00	-52,509,700	0.00	-55,548,700	0.00
PR-O	0	0.00	0	0.00	-334,300	0.00	-334,300	0.00
PR-S	-4,723,400	0.00	-5,133,400	0.00	1,512,300	0.00	512,300	0.00
TOTAL	-48,281,800	0.00	-57,245,100	0.00	-55,881,900	0.00	-59,920,900	0.00

The Governor recommends funding changes to reflect ongoing funding for the Wisconsin Works (W-2) program and to maintain other programs that serve families eligible for assistance under the Temporary Assistance for Needy Families (TANF) block grant.

The Governor's W-2/TANF budget includes \$154,199,400 GPR in each year. Federal funding, including the Child Care and Development Fund (CCDF) block grant, program revenue and unspent revenue from the previous biennium are also available for the program (\$518,271,400 in FY04 and \$474,270,300 in FY05). Total revenues for the TANF budget will be \$672,470,800 in FY04 and \$628,469,700 in FY05. Under the budget, projected expenditures total \$632,493,500 in FY04 and \$628,454,500 in FY05.

The table below outlines the Governor's recommended funding levels (all funds):

	<u>FY04</u>	<u>FY05</u>
W-2 Contracts		
<u>Current W-2 Contracts.</u> Funding to support the remainder of the current W-2 contracts.	\$74,656,800	
<u>Next W-2 Contracts and Subsidized Transitional Jobs.</u> Funding to support the fourth round of W-2 contracts, which begin January 1, 2004. Funds will support costs of W-2 cash benefits, education and training, program and work site services, a new optional W-2 transitional job placement and W-2 administration.	\$74,657,000	\$156,297,100
Child Care		
<u>Direct Child Care Services.</u> Funding to support the Wisconsin Shares child care subsidy program.	\$293,634,300	\$291,385,000
<u>Indirect Child Care Services.</u> Funding to support the Wisconsin Shares child care subsidy program and child care providers, including funding for resource and referral services, child care licensing and support for the department's Office of Child Care. For more information on child care licensing, see Department of Health and Family Services, Program 3 – Children and Family Services, Item #33.	\$6,859,400	\$6,926,700
<u>Local Pass-Through Grants.</u> Funding to support local units of government in expanding and improving the quality of child care in local communities. The funding originates from the matching component of the federal Child Care and Development Fund block grant, with local units of government providing the matching funds.	\$4,395,500	\$4,395,500

Workforce Development

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	<u>FY04</u>	<u>FY05</u>
<u>Early Childhood Excellence.</u> Funding for grants to innovative child care providers to create model centers for early childhood learning.	\$2,500,000	\$2,500,000
Other Payments to Individuals		
<u>Kinship Care.</u> Funding to support the Kinship Care program under which a child who is at risk of abuse or neglect may live with a relative. See Department of Health and Family Services, Program 3 – Children and Family Services, Item #29.	\$24,155,700	\$24,155,700
<u>Caretaker Supplement.</u> Funding to support the SSI supplement to SSI parents who have a child that previously qualified for Aid to Families with Dependent Children benefits. See Department of Health and Family Services, Program 3 – Children and Family Services, Items #78 and #79.	\$20,883,700	\$19,969,800
<u>Emergency Assistance.</u> Funding for assistance to families facing a current emergency due to fire, flood, natural disaster, energy crisis or homelessness.	\$4,500,000	\$4,500,000
<u>Job Access Loans.</u> Funding for no-interest loans made by W-2 agencies to participants for addressing short-term workplace needs.	\$200,000	\$200,000
Child Support		
<u>Child Support Payments to W-2 Participants.</u> Funding to pass through the full amount of child support payments collected on behalf of W-2 participants.	\$2,090,000	\$2,300,000
<u>Child Support Payments to the Federal Government.</u> Funding to pay the federal government its share of assigned child support collections.	\$15,687,100	\$15,097,100
Administrative Support		
<u>State Administration.</u> Funding for state administration of TANF programs and fraud prevention and public assistance collection activities.	\$18,552,100	\$18,552,100
Other Support Services		
<u>Children First.</u> Funding for work programs for noncustodial parents who are in arrears in meeting their child support obligations.	\$1,140,000	\$1,140,000
<u>English as a Second Language (ESL) for Southeast Asian Children.</u> Funding for ESL services for Southeast Asian children ages 3 to 5 in the Wausau school district.	\$100,000	\$100,000
<u>Work Force Attachment and Advancement.</u> Funding for post-employment services that promote job retention and advancement for low-income adults who are members of the work force.	\$2,000,000	\$2,000,000
<u>Grants to the Boys and Girls Clubs.</u> Funding for the Wisconsin Chapter of the Boys and Girls Clubs of America for programs that improve the social, academic and employment skills of TANF-eligible youth.	\$300,000	\$300,000

	<u>FY04</u>	<u>FY05</u>
<u>Earned Income Tax Credit.</u> Funding for the refundable portion of the tax credit for those individuals who are TANF-eligible. In FY05, \$7,100,000 in public benefits funds will be provided to support the earned income tax credit. For more information, see Shared Revenue and Tax Relief, Items #8 and #9.	\$57,892,000	\$50,300,000
<u>Head Start.</u> Funding to support 34 federally-designated Head Start agencies providing educational activities and other early childhood services to low-income children. See Department of Public Instruction, Item #11.	\$3,500,000	\$3,500,000
<u>Transfer to the Social Services Block Grant.</u> Funding transferred from the TANF block grant to the Social Services Block Grant (SSBG). The SSBG supports the state's Community Aids programs, which provide services to low-income families, disabled persons and the elderly. Federal law limits the amount that may be transferred to 4.25 percent of the TANF block grant. For more detail on the Community Aids program, see Department of Health and Family Services, Program 7 – Supportive Living, Item #32.	\$13,420,500	\$13,420,500
<u>Domestic Violence Services.</u> Funding for grants to organizations that provide services to victims of domestic abuse. See Department of Health and Family Services, Program 3 – Children and Family Services, Item #34.	\$750,000	\$750,000
<u>Child Abuse Neglect and Prevention Board.</u> Funding to support grants for 17 family resource centers.	\$340,000	\$340,000
<u>Child Welfare Safety Services.</u> Funding for services for families in Milwaukee County who have had a child removed from the home due to abuse or neglect.	\$7,094,100	\$7,094,100
<u>Child Welfare Prevention Services.</u> Funding to reduce the incidence of child abuse and neglect in Milwaukee County, and to provide services for families in Milwaukee County who are at risk of having a child removed from the home due to abuse or neglect.	\$1,489,600	\$1,489,600
<u>Milwaukee Child Welfare/Wisconsin Statewide Automate Child Welfare Information System.</u> Funding for administration and information technology support for the Milwaukee Child Welfare information system and the statewide automated child welfare information system. See Department of Health and Family Services, Program 3 – Children and Family Services, Item #31.	\$1,695,700	\$1,741,300

19. Fund Child Support Programs

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	9,731,400	0.00	11,997,900	0.00	5,691,600	0.00	9,191,800	0.00
PR-O	-1,050,300	0.00	-1,250,300	0.00	-1,050,300	0.00	-1,250,300	0.00
SEG-O	-700,000	0.00	-700,000	0.00	-700,000	0.00	-700,000	0.00
TOTAL	7,981,100	0.00	10,047,600	0.00	3,941,300	0.00	7,241,500	0.00

The Governor recommends the following changes to the child support program in order to continue to fund child support operations: (1) increase FED expenditure authority to reflect anticipated federal child support incentive funds earned by the state; (2) decrease PR and SEG expenditure authority to reflect estimated centralized receipt and disbursement fee revenue and interest earnings; and (3) provide the department with the authority to use federal child support incentive funds earned by the state that exceed the statutory cap. Any federal funds earned in excess of the statutory cap would be shared evenly between the county child support incentive contracts and state child support operations.

20. Reduce Reliance on Contractors for KIDS Support

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	766,000	15.00	1,976,100	31.00	766,000	15.00	1,976,100	31.00
TOTAL	766,000	15.00	1,976,100	31.00	766,000	15.00	1,976,100	31.00

The Governor recommends increasing expenditure and position authority to enable the department to replace existing private contractors that work on the Kids Information Data System (KIDS) in the Bureau of Child Support with state employees. This change will reduce the costs of maintaining KIDS. The GPR and FED savings associated with this recommendation are reflected in Item #1.

21. Division of Workforce Solutions Technical Position Adjustment

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	42,700	1.00	42,700	1.00	42,700	1.00	42,700	1.00
TOTAL	42,700	1.00	42,700	1.00	42,700	1.00	42,700	1.00

The Governor recommends increasing expenditure and position authority to reflect budgeting for a federal position that was authorized in May 2002, but inadvertently excluded from the base reconciliation process.

22. Division of Workforce Solutions Position Realignment

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	-54.27	0	-54.27	0	-54.27	0	-54.27
PR-F	3,454,100	85.87	3,454,100	85.87	3,454,100	85.87	3,454,100	85.87
PR-O	-1,677,000	-36.15	-1,677,000	-36.15	-1,677,000	-36.15	-1,677,000	-36.15
PR-S	226,300	3.80	226,300	3.80	226,300	3.80	226,300	3.80
TOTAL	2,003,400	-0.75	2,003,400	-0.75	2,003,400	-0.75	2,003,400	-0.75

The Governor recommends making changes to the department's expenditure and position authority in several appropriations, to reflect realigning authorized position authority with the appropriate funding sources within the Division of Workforce Solutions. The changes also reflect budgeting GPR expenditure authority for child support and other program operations on the correct budget line. Over the past several years, there have been changes in the underlying funding for programs administered by the division. The changes included in this recommendation will realign all positions in the division to reflect current organizational structure, programs and funding sources.

23. Division of Workforce Solutions Appropriation Restructuring

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	-10,818,300	0.56	-10,818,300	0.56	-10,818,300	0.56	-10,818,300	0.56
TOTAL	-10,818,300	0.56	-10,818,300	0.56	-10,818,300	0.56	-10,818,300	0.56

The Governor recommends decreasing expenditure authority to reflect that certain federal revenues associated with the Food Stamps program are no longer budgeted in the department. The Governor further recommends making changes to several of the department's appropriations in the Division of Workforce Solutions to reflect the current organizational structure of the division. Over the past several years, there have been changes to the programs administered by the division. The changes included in this recommendation will clarify the purposes of appropriations, and provide administrative efficiencies by consolidating appropriations, eliminating obsolete and unnecessary appropriations, and making various technical modifications.

24. Uninsured Employers Fund Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	1,000,000	0.00	1,000,000	0.00	1,000,000	0.00	1,000,000	0.00
TOTAL	1,000,000	0.00	1,000,000	0.00	1,000,000	0.00	1,000,000	0.00

The Governor recommends increasing expenditure authority for the uninsured employer's fund to reflect increased expenditures by this program.

25. Federal Revenue Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	-110,600	0.00	564,400	0.00	-110,600	0.00	564,400	0.00
TOTAL	-110,600	0.00	564,400	0.00	-110,600	0.00	564,400	0.00

The Governor recommends adjusting the department's federal appropriations to reflect changes in the department's federal grant awards.

26. Program Revenue Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	-1,120,300	0.00	-1,120,300	0.00	-1,120,300	0.00	-1,120,300	0.00
PR-S	24,600	0.00	24,600	0.00	24,600	0.00	24,600	0.00
TOTAL	-1,095,700	0.00	-1,095,700	0.00	-1,095,700	0.00	-1,095,700	0.00

The Governor recommends adjusting the department's program revenue appropriations to reflect changes in the department's revenues.

27. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	-553,200	0.00	-553,200	0.00	-311,200	0.00	-311,200	0.00
PR-F	1,927,100	-0.58	1,205,400	-17.66	1,875,300	-0.91	1,141,100	-17.66
PR-O	410,100	-0.17	402,500	-0.34	394,800	-0.34	387,300	-0.34
PR-S	-234,800	0.00	-234,800	0.00	-229,600	0.00	-229,600	0.00
SEG-O	35,100	0.00	35,100	0.00	35,100	0.00	35,100	0.00
TOTAL	1,584,300	-0.75	855,000	-18.00	1,764,400	-1.25	1,022,700	-18.00

The Governor recommends adjusting the department's base budget for: (a) turnover reduction (-\$2,661,700 in each year); (b) removal of noncontinuing elements from the base (-\$205,500 in FY04 and -\$923,400 in FY05); (c) full funding of continuing position salaries and fringe benefits (\$4,021,600 in FY04 and \$3,997,800 in FY05); (d) funding of ongoing s. 13.10 supplements (\$137,700 in each year); (e) overtime (\$224,500 in each year); (f) night and weekend differential pay (\$95,500 in each year); (g) fifth week of vacation as cash (\$141,800 in each year); (h) full funding of lease and directed moves costs (\$10,500 in each year); and (i) minor transfers within the same alpha appropriation.

ITEMS NOT APPROVED

The following requests are not included in the Governor's budget recommendations for the Department of Workforce Development.

Decision Item	Source of Funds	FY04		FY05	
		Dollars	Positions	Dollars	Positions
28. Maintenance Contractors	PR-S	0	25.00	0	25.00
29. Southeastern Wisconsin Apprenticeship Initiative	GPR	0	0.00	0	0.00
30. Funding Match for Federal Award Increases	PR-O	300,000	0.00	600,000	0.00
TOTAL OF ITEMS NOT APPROVED	GPR	0	0.00	0	0.00
	PR-O	300,000	0.00	600,000	0.00
	PR-S	0	25.00	0	25.00